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Special Counsel for Debtor

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

IN RE:

Case No. 23-10423

CASH CLOUD, INC., d/b/a COIN CLOUD,

Chapter 11

Debtor.

Hearing Date: February 12, 2025

Hearing Time: 9:30 a.m.

DECLARATION OF DANIEL P. AYALA IN SUPPORT OF MOTION: (I) PURSUANT TO FED. R. BANKR. P. 9019 TO AUTHORIZE AND APPROVE SETTLEMENTS BETWEEN DEBTOR AND (1) SECTRAN SECURITY INC., (2) TEAM AIR EXPRESS INC., (3) PISANELLI BICE, LLC, AND (4) BANDWIDTH INC.; AND (II) PURSUANT TO FED. R. BANKR. P. 328, 330, AND 331 FOR AWARD AND PAYMENT OF CONTINGENCY FEE

I, Daniel P. Ayala, hereby declare as follows:

1. I am over the age of 18 and mentally competent. I have personal knowledge of the facts in this matter and if called upon to testify, could and would do so.

2. I am the Independent Director of Cash Cloud, Inc. d/b/a Coin Cloud (the “Debtor”).

3. I make this declaration in support of the *Motion: (I) Pursuant to Fed. R. Bankr. P. 9019 to Authorize and Approve Settlements Between Debtor and (1) Sectran Security Inc., (2) Team Air Express Inc., (3) Pisanelli Bice, LLC, and (4) Bandwidth Inc.; and (II) Pursuant to Fed. R. Bankr. P. 328, 330, and 331 for Award and Payment of Contingency Fee* (the “Motion”).¹

¹ Unless otherwise expressly stated herein, all undefined, capitalized terms shall have the meaning ascribed to them in the Motion.

1 4. Each of the Settling Transferees responded to the Debtor's demand that they return
2 certain allegedly preferential transfers. The Settling Transferees either accepted Debtor's initial
3 settlement offer or provided responses, either asserting defenses or making a counteroffer to the
4 settlement offer made by Debtor. For those Settling Transferees that did not accept Debtor's initial
5 settlement offer, any asserted defenses was reviewed and analyzed, informal discovery was
6 undertaken where necessary, and negotiations ensued resulting in the proposed settlements
7 summarized on Exhibit 1 to the Motion and memorialized in the Settlement Agreements attached
8 as Exhibits 3 and 6 to the Motion.

9 5. I considered the information received from the Settling Transferees and
10 recommendations provided by BRG and determined the appropriate settlement offers.

11 6. Having considered the potential defenses, the likelihood of success, the delay and
12 expense of litigation, I believe that each of the settlements is fair and reasonable and request that
13 they be approved.

14 I declare under penalty of perjury of the laws of the United States that these facts are true
15 to the best of my knowledge and belief.

16 DATED this 13th day of January 2025.

17 /s/ Daniel P. Ayala
18 DANIEL P. AYALA, ESQ.
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